

Exhibit 314



Deposition of:
CONF Daniel J. Slottje, Ph.D.

March 12, 2021

In the Matter of:
**Blue Cross Blue Shield Antitrust
Litigation/in Re**

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1 guess so. So, yes, to the extent that that
2 impacts the market allocation allegations.

3 Q. So I understand it, you're
4 referring to paragraph 16-e of Exhibit 2?

5 A. Yes.

6 Q. And this is a paragraph that
7 reads: The Blues agree that none of the Blues
8 will earn revenues from services offered under
9 the Blue brand outside of their service areas
10 and the agreement prevents any Blue, quote,
11 from receiving more than 20 percent of its
12 revenue from non-Blue business in a service
13 area for more than one-third of its revenue
14 company-wide from non-Blue business, close
15 quote.

16 Did I read that right?

17 A. Yes.

18 Q. And that is your understanding of
19 the National Best Efforts rule; is that right?

20 A. That's my recollection. If I'm
21 completely wrong, then I'm embarrassed, but
22 that's what I remember.

23 Q. Do you understand how your damage
24 calculations account for the National Best
25 Efforts rule described in paragraph 16-e?

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1 A. I don't think that that's a
2 separate category. I just think that that's
3 another -- I think you've already talked about
4 it, that the Exclusive Service Areas and the
5 market allocation and the selling and -- of
6 what we've -- the different categories that
7 we've talked about in Exhibit 1. I don't think
8 my -- my damages are affected by it one way or
9 the other, except that it's one of the
10 allegations.

11 Q. And what do you mean by you don't
12 think your damages are affected by it one way
13 or the other?

14 A. Well, the market allocation on
15 selling, the market allocation on provider
16 contracting, those are not going to be affected
17 whether that is in there or not. I think it's
18 in there for completeness. And in terms of my
19 calculation of damages, it doesn't affect them.

20 Q. And just to make sure, when you
21 say whether it is in there or not, you're
22 referring to whether you had written paragraph
23 16-e in your report or not? Or I may just not
24 be following you.

25 A. If you're suggesting -- Let's

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1 suppose that the National Best Efforts rules
2 were found to be legal, would that affect my
3 damage numbers. And my understanding is no.

4 Q. I apologize if I already asked
5 this question. Is it right that your damages
6 calculations reflect your opinion about how
7 much provider reimbursements would have
8 increased to each of the 106 hospitals in the
9 GAC hospital class in the but-for world?

10 MR. BROWN: Object to form.

11 A. I don't follow the question. Can
12 you help me with that?

13 Q. Yeah. Let me try again.

14 Am I right that the way you
15 calculate damages in this case is by looking at
16 the reimbursements that the 106 GAC hospitals
17 would have received in a but-for world?

18 MR. BROWN: Object to form.

19 A. In a but-for world. I don't --
20 I'm not comfortable with that. I would say
21 that they're the reimbursements they would have
22 received absent the challenged conduct.

23 The but-for world is a
24 construction of, as Professor Murphy put it,
25 you know, what the world would have looked like